GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1010
ANSWERED ON:21.07.2017
Income Tax Defaulters
Datta Shri Sankar Prasad

Will the Minister of FINANCE be pleased to state:

INCOME TAX DEFAULTERS

1010. SHRI SANKAR PRASAD DATTA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to make public the names of individuals/ corporates who have defaulted in paying income tax and if so, the details of such top twenty entities during the last three years;

(b) whether the Government has any effective mechanism to deal with Income Tax defaulters and if so, the details thereof along with the action taken thereon; and

(c) whether the Government proposes to take action against those who have failed to file IT returns and if so, the details thereof and if not, the reasons therefor?

Answer

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a) The Income Tax Department is already making public the names of individuals/ corporates who have defaulted in paying income tax. During the last three years, names of 96 tax defaulters who fulfill the prescribed parameters have been published in the leading national & regional newspapers. Their names have also been placed on the website of the income tax department at www.incometaxindia.gov.in.

(b) Income Tax defaulters are dealt with as per the procedure/ mechanism laid down in the Income Tax Act and Income Tax Rules. Strategies and targets for recovery of arrears of taxes are also laid down as part of the annual Central Action Plan document of the Department. Efforts of the assessing officer to recover the outstanding demands are regularly reviewed and monitored by the superior authorities. Databases like Individual Transaction Statement and 360-degree profile generated by the Department and those maintained by other agencies like FIU-IND have also been made available to the field units for identification of assets for recovery. Guidelines for Tax Recovery Officers for recovery and guidelines to assessing authorities for dealing with stay petitions have been issued. A new reward scheme for information leading to recovery of arrears has also been notified. The names of confirmed defaulters are placed in public domain, as mentioned above.

(c) The Income Tax Department has already implemented the Non-Filer Monitoring System (NMS) which assimilates and analyses in-house information as well as transactional data received from third-parties, including Statement of Financial transaction (SFT), Tax Deduction at Source (TDS) and Tax Collection at Source (TCS) statements, Intelligence & Criminal Investigation (I&CI) data etc. to identify such persons/entities who have undertaken high value financial transactions but have not filed income-tax returns. Five cycles of NMS have been undertaken since 2013 and about 2.04 crore non-filers with potential tax liability have been identified under NMS. About 95 lakh returns have been filed by the target segment and self-assessment tax of about Rs. 16,500 Crore has been paid.

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